



Investigating Social Sustainability Factors Influencing the Performance of Firms Listed at Nairobi Securities Exchange, Kenya

Amy N. Etiang, Joyce W. Ndegwa & Timothy C. Okech

United States International University – Africa, Kenya

Article History

Received: 02.09.2025

Revised: 24.02.2026

Accepted: 05.03.2026

Published: 06.03.2026

Keywords

Diversity

Firm performance

Labour practices

Social factors

How to cite:

Etiang, A. N., Ndegwa, J. W., & Okech, T. C. (2026). Investigating Social Sustainability Factors Influencing the Performance of Firms Listed at Nairobi Securities Exchange, Kenya. *Research Journal of Business and Finance*, 5(1), 1-11.

Abstract

Social sustainability factors are recognised as critical drivers of firm performance in Kenya. However, most studies focus on specific industries, limiting a broader understanding of social sustainability factors on performance. Therefore, this study sought to investigate social sustainability factors influencing the performance of firms listed at Nairobi Securities Exchange, Kenya. This study adopted a positivist research philosophy, descriptive and explanatory research design. The target population was 350 heads of selected departments in the firms listed at the Nairobi Securities Exchange from which a sample size of 187 respondents was selected using stratified random sampling. The study utilised both primary and secondary data. Primary data was collected by use of a questionnaire, while secondary data was collected using a checklist. Drop-off and pick-up-later method was used in the collection of data. Quantitative data were analysed using descriptive statistics and inferential statistics. An average mean score of 3.75 (SD = 1.01) indicates that firms practice labour standards, diversity and inclusion, human rights, community engagement, and employee health and safety. Nagelkerke Pseudo R² revealed that social factors explained 58.3% of the variance in firm performance (R² = .583). The parameter estimates further showed that social sustainability factors significantly predicted firm performance ($\beta = 2.290, p \leq .05$). The study contributes to the growing body of knowledge on the relationship between social sustainability and firm performance in Kenya. Managers of NSE-listed firms should prioritise social sustainability initiatives as strategic drivers of organisational performance and competitive advantage.

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Introduction

The growing global attention to sustainability has increased the emphasis on social factors, such as labour practices, diversity and inclusion, human rights, community engagement, and employee health and safety, as key drivers of organisational performance. Firms are increasingly expected to demonstrate responsible labour practices, uphold human rights, engage communities, protect consumers, and promote inclusion in their operations (Ahmed & Khan, 2023). Such practices influence organisational culture, employee commitment, brand reputation, and stakeholder trust, all of which are essential for long-term success (Alfredsson & Eide, 2023). For instance, in the Republic of Korea, Ahmad et al. (2024) observe that a strong focus on social sustainability factors includes promoting diversity, equity, and inclusion within the workforce, ensuring fair labour practices, and fostering a



positive workplace environment that encourages employee well-being and engagement. As stakeholder expectations continue to evolve, companies that strategically embed social considerations into their core operations are more likely to enhance productivity, strengthen relationships, and achieve sustainable organisational performance in increasingly competitive and dynamic markets (Annesi et al., 2024).

In Japan, Sarkar et al. (2024) report that firms with higher sustainability scores exhibit greater resilience during economic downturns, enabling them to withstand market volatility and sustain long-term performance. Gavrilakis and Floros (2023) similarly find a positive relationship between strategic sustainability investments and enhanced corporate financial outcomes across firms in North America, Latin America, and Europe. In Nigeria, Daramola et al. (2025) observe that organisations that prioritise social responsibility through community development and social initiatives strengthen their reputations and improve financial results. Likewise, Anaman and Somiah-Quaw (2023) indicate that firms that address customer concerns about product safety, ethical sourcing, and social impact achieve higher customer loyalty and stronger brand value, reinforcing the strategic importance of social sustainability factors in competitive markets.

Additional evidence from Nigeria indicates that social and governance imperatives significantly enhance firm performance, though their influence may vary across sectors and institutional contexts (Ariyo-Edu et al., 2023). In Kenya, Agutu and Githira (2023) establish that social sustainability positively affects the financial performance of listed financial firms, emphasising that alignment with societal expectations strengthens stakeholder trust and long-term growth prospects. These findings collectively suggest that integrating social considerations into corporate strategy can generate measurable performance gains. However, most existing studies concentrate primarily on financial indicators and specific industries, offering limited insight into how social sustainability factors, like labour practices, diversity and inclusion, human rights, community engagement, as well as employee health and safety, influence broader organisational performance dimensions across different sectors, particularly within emerging market settings. This study, therefore, sought to examine how social sustainability factors influence firm performance across sectors and firm sizes listed at the NSE (Nairobi Securities Exchange), addressing gaps in knowledge and practice.

Theoretical Review

The study was anchored in the Triple Bottom Line (TBL) theory, developed by John Elkington in his book *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*, which proposed a new approach to corporate performance assessment. According to the theory, companies ought not only to quantify their success using conventional financial indicators, but also to assess their contribution to social and environmental issues (Elkington, 1997). This strategy expands business performance across three key dimensions: economic profitability, social responsibility, and environmental stewardship. According to the theory, businesses ought to pursue a moderate approach to business, taking into consideration both financial outcomes and having a positive social impact and reducing their environmental footprint (Nogueira et al., 2023). Effective companies create economic value, social equity, and environmental safety.

The TBL theory highlights that social responsibility is a critical dimension of firm performance, alongside economic and environmental considerations. For NSE-listed companies, social sustainability factors such as fair labour standards, employee welfare, corporate social responsibility (CSR), and community engagement significantly influence organisational outcomes (Sari & Pratama, 2023). When firms uphold ethical labour practices, interact positively with local communities, and invest in employee development, they strengthen stakeholder trust, enhance brand loyalty, increase customer retention, and boost employee productivity (Serem et al., 2024). These social initiatives



contribute to a stronger corporate reputation, reduce the risk of legal disputes, and, indirectly, improve financial performance. By integrating Environmental, Social and Governance (ESG) social criteria with TBL, companies can operationalise social sustainability, providing measurable practices that enhance workforce satisfaction, community relations, and long-term competitive advantage.

Conceptual Framework

Figure 1 shows the relationship between the independent variable and the dependent variable. The independent variable in this study was social sustainability factors, and the dependent variable was the performance of firms listed at NSE.

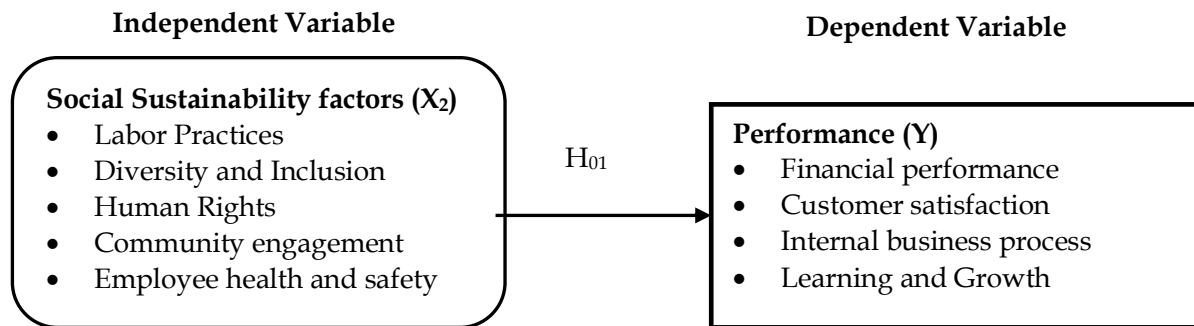


Figure 1: Conceptual Framework

Literature Review

Social sustainability factors have a strong impact on the performance in many aspects, such as labour practices, human rights, and diversity and inclusion. Coyle and Manley (2024) indicate that proper work practices, including remuneration and good working conditions, increase employee morale and productivity. According to Sharaf-Addin (2024), respectful and ethical working conditions are promoted by upholding human rights, as they improve employees' trust and commitment. Moreover, Tang (2023) notes that the adoption of diversity and inclusion enhances mindset expansion, promotes innovation, and advances decision-making through diverse experiences and perspectives. When combined, these social sustainability factors lead to a positive organisational culture, increased employee satisfaction, and enhanced overall performance.

Research by Glova and Panko (2025) examines the impact of social sustainability factors on business performance among textile-based organisations in Malaysia. The study examines the impact of strict control, encouragement, professional attitude, and interaction with top managers, using primary data from 120 respondents collected via a structured questionnaire. The results indicate a positive correlation between various social sustainability factors and business performance. These aspects are strict control, encouragement, professional attitude and contact with top managers and colleagues. In particular, it is important to note that strict control is found to improve creativity through clear guidelines and focus, whereas encouragement fosters an environment in which innovative ideas are likely to thrive. This is consistent with Sharaf-Addin (2024), who describes how social aspects, such as labour practices and diversity, shape organisational performance. Moreover, Coyle and Manley (2024) emphasise the role of fair labour practices and adherence to human rights in boosting employees' morale and trust, thereby increasing overall performance. Nevertheless, the study was limited to the textile industry in Malaysia, thus making it difficult to generalise the findings to listed companies in the NSE.

Moreover, Handoyo and Anas (2024) assessed the effect of social capital, specifically trust, networks, and norms, on the performance of firms in the Association of Southeast Asian Nations. The output



production, internal processes, and resource capabilities were used to evaluate the performance of the small micro-enterprises. Structural Equation Modelling with Partial Least Squares (SEM-PLS) was applied to analyse the relationship between social capital and SME performance. The findings suggest that social capital positively affects the performance of the SME snack business. In particular, the research concludes that the elements of social capital, trust, networks, and norms positively influence the performance of small micro-enterprises in output, internal processes, and resource capabilities. It aligns with the results of Sharaf-Addin (2024), who notes the relevance of social aspects to enhancing business performance, in particular through relationships and cooperation. Nonetheless, this study was conducted in the context of small, local companies in Indonesia, which face different economic, social, and regulatory forces than those of large corporations listed on the NSE.

Research by Olatunji et al. (2025) examines the effects of the social environment on the performance of small and medium-sized enterprises (SMEs) in Lagos State, focusing on interpersonal networks, relational social capital, and structural social capital. The study adopted a survey research design, guided by three research questions and hypotheses, and collected primary data from SME operators via structured questionnaires. The results indicate that all three dimensions of the social environment have a significant positive impact on business performance. In particular, interpersonal networks facilitated information sharing and access to market opportunities; relational social capital strengthened trust and collaboration among stakeholders; and structural social capital improved coordination and the effective use of resources. This aligns with prior research, such as Sharaf-Addin (2024), who emphasises that social sustainability factors, including cooperation and organisational relationships, play a critical role in shaping business outcomes. Moreover, the findings resonate with Coyle and Manley (2024), who highlight that strong social structures and trust within organisations improve employee morale and commitment, indirectly boosting performance. However, since the study was conducted exclusively among SMEs in Lagos State, caution is required in generalising the results to larger firms or companies listed at the Nairobi Securities Exchange (NSE), which operate under different economic, social, and regulatory conditions.

Despite consistent evidence that social sustainability factors positively influence firm performance, existing studies have largely focused on SMEs and specific industries in Asian and West African contexts, limiting their generalizability to publicly listed firms in emerging capital markets. There remains limited empirical evidence on how social sustainability dimensions, such as labour practices, diversity, stakeholder engagement, and social capital, influence the performance of firms listed on the Nairobi Securities Exchange (NSE) that operate under distinct regulatory, governance, and market dynamics. Therefore, this study tested the following null hypothesis:

H₀₁: Social sustainability factors have no significant positive influence on the performance of firms listed at the Nairobi Securities Exchange, Kenya.

Method

Research Philosophy and Design

This research study employed the positivist research philosophy because it emphasises empiricism and objectivity, which enable the testing of hypotheses and the analysis of associations between social sustainability factors and the performance of firms listed on the Nairobi Securities Exchange. This research study also employed a combination of descriptive and explanatory research designs. The descriptive design is reliable in providing answers to questions of what, who, where, and how related to social sustainability factors among firms, while the explanatory design enables the investigation of cause-and-effect relationships between social sustainability factors and firm performance.

***Target Population and Sampling Technique***

The target population was 350 heads of finance, marketing, human resources, internal audit, customer relations, operations, information and communication technology, and risk and compliance departments in 61 firms listed at the Nairobi Securities Exchange (NSE). This research study used multistage sampling (purposive and stratified random) to account for the various departments in the population. Yamane's (1967) sample size formula was used to determine the sample size, resulting in 187. The study employed proportionate allocation of the sample size to ensure that the sample size for each stratum was proportional to the size of that specific stratum in the population, as summarised in Table 1.

Table 1: Sample Size Distribution

Departments	Target Population	Sample Size
Finance	61	33
Marketing	40	21
Human Resource	61	33
Internal Audit	39	21
Customer Relations	25	13
Operations	44	24
Information and Communication Technology	42	22
Risk and Compliance	38	20
Total	350	187

Data Collection and Data Analysis Methods

This research study used both primary and secondary data. Secondary data was obtained from annual reports and organisational documents of firms listed on the Nairobi Securities Exchange. This research study used structured questionnaires to gather primary data from heads of finance, marketing, human resources, internal audit, customer relations, operations, information and communication technology, and risk and compliance departments. The questionnaire consisted of both closed-ended questions, which utilised nominal and Likert scales. Nominal scales captured demographic information, such as age, gender, and job title, providing context for interpreting the findings. A five-point Likert scale measured both the independent and dependent variables, enabling quantitative analysis. In addition, the questionnaire was pretested at Safaricom Limited to assess its reliability and validity. The results indicated that Cronbach's alpha coefficients for both the independent and dependent variables exceeded 0.70, confirming acceptable internal consistency reliability. Furthermore, the Average Variance Extracted (AVE) values were above 0.40, indicating satisfactory construct validity.

The Statistical Package for Social Sciences (SPSS version 28) was used to analyse quantitative data. Descriptive statistics included percentages, mean, and standard deviation. Inferential statistics included correlation analysis and Logistic regression analysis. Logistic regression is used to estimate the probability of a categorical dependent variable given one or more independent variables. Specifically, binary logistic regression was used to assess the effect of social sustainability factors on firm performance. Prior to model estimation, diagnostic tests were conducted to ensure robustness and validity, including the Hosmer-Lemeshow test for goodness of fit, the Omnibus test for overall model significance, Cook's Distance for detecting influential outliers, and the Wald test for assessing the significance of individual predictors.

Results

This research study collected 181 of the 187 questionnaires administered, translating to a response rate of 96.8%. As part of the general information, the findings indicated that 38% of participants in this



study had served in their organisations for 11 to 20 years, while 34% had served for over 20 years. In addition, most of the departmental heads in firms listed on the Nairobi Securities Exchange (51%) held a master's degree, and 33% held an undergraduate degree. The results depict that 67% of the organisations had more than 300 employees, 13% had fewer than 50 employees, and 7% had between 50 and 100 employees. The length of service, the level of education, and the size of the organisations may influence the ability to implement sustainability strategies among firms listed at the Nairobi Securities Exchange

Descriptive Analysis for Social Sustainability Factors and Performance of Listed Firms

Social sustainability comprises labour practices, diversity and inclusion, human rights, community engagement, and employee health and safety. Labour practices, as a fundamental component of social sustainability, focus on the extent to which organisations uphold fair treatment of employees and comply with labour regulations. From the results, respondents agreed that organisations ensure fair labour practices for all employees ($M = 3.78$, $SD = 1.03$). Additionally, respondents indicated that organisations comply with both local and international labour laws ($M = 3.75$, $SD = 1.12$).

Diversity and inclusion, as critical elements of social sustainability, focus on the extent to which organisations foster equitable work environments and promote inclusive practices across various dimensions of identity. From the results, respondents agreed that organisations promote diversity and inclusion in the workplace ($M = 3.67$, $SD = 1.07$). They also indicated efforts to ensure equal opportunities for all employees regardless of background ($M = 3.64$, $SD = 1.00$), and that diversity and inclusion are prioritised in recruitment and hiring practices ($M = 3.59$, $SD = 1.04$).

Human rights, as a vital component of social sustainability, focus on the extent to which organisations uphold human rights within their operations and supply chains. From the results, respondents agreed that organisations have clear policies to prevent human rights violations in the workplace ($M = 3.95$, $SD = 0.86$) and are committed to respecting human rights across operations ($M = 3.83$, $SD = 0.87$). Additionally, they indicated that regular assessment and monitoring of the supply chain ensures compliance with human rights standards ($M = 3.67$, $SD = 1.04$).

Community engagement, a key pillar of social sustainability, involves organisations interacting with communities to contribute to their well-being and development. From the results, respondents agreed that organisations actively engage with local communities to address social challenges ($M = 3.81$, $SD = 1.01$) and collaborate with local organisations to improve community well-being ($M = 3.78$, $SD = 1.03$). Additionally, respondents indicated that employees actively participate in community engagement initiatives ($M = 3.72$, $SD = 1.10$).

Employee health and safety, as vital components of social sustainability, involves organisations embedding health and safety considerations into workplace policies, practices, and culture to safeguard employee well-being. From the results, respondents agreed that organisations take all necessary precautions to prevent workplace accidents and injuries ($M = 3.84$, $SD = 0.93$). They also indicated that employee health and safety are prioritised within workplace policies ($M = 3.73$, $SD = 1.01$).

The participants were asked to comment on any other issues related to social sustainability factors and how they affect the performance of firms listed on the NSE. The findings support the quantitative results, indicating that socially responsible practices are instrumental in building internal and external stakeholder trust. Respondents agreed that initiatives such as affordable housing, healthcare programmes, and education sponsorships enhance corporate reputation and market positioning, aligning with survey results that reflect strong engagement in community engagement, labour practices, and human rights. Firms prioritising these areas were reported to enjoy improved customer



loyalty, higher employee morale, and better community relations, which agrees with the generally positive mean scores across the social sustainability dimensions. Respondents emphasised strides in affordable housing for underserved communities, highlighting tangible social impact that complements the proactive approaches identified in the survey.

Correlation Analysis for Social Sustainability Factors and Performance of Firms

To determine the relationship between social sustainability factors and firm performance, a Spearman’s rank-order correlation analysis was conducted. As presented in Table 2, the results show a strong and statistically significant positive correlation between social sustainability factors and firm performance, $r(179) = .699$, $p < .001$, indicating that there exist an association between social sustainability factors and firm performance.

Table 2: Spearman's Rank Correlation for Social sustainability factors and Performance of Firms

			Performance	Social sustainability factors
Spearman's rho	Performance	Correlation Coefficient	1.000	.699**
		Sig. (2-tailed)	.	.000
		N	181	181
	Social sustainability factors	Correlation Coefficient	.699**	1.000
		Sig. (2-tailed)	.000	.
		N	181	181

** . Correlation is significant at the 0.01 level (2-tailed).

Diagnostic Tests

To ensure the robustness, accuracy, and credibility of the regression analysis examining the influence of social sustainability factors on firm performance, a series of diagnostic tests was undertaken. These tests included the Hosmer-Lemeshow test, Omnibus test, Cook’s Distance, and the Wald test.

Hosmer-Lemeshow Test

The results of the Hosmer and Lemeshow test, with a Chi-square value of 5.228 and 6 degrees of freedom, yielded a p-value of 0.515. Since the p-value is greater than 0.05, the model fits the data well. Therefore, we fail to reject the null hypothesis, suggesting no significant difference between the observed and expected frequencies, confirming that the model is appropriate for the data.

Omnibus Test

The results showed that the model had a Chi-square value of 101.062 with 1 degree of freedom and a p-value of 0.000. Since the p-value is less than 0.05, the result indicates that the model is statistically significant. This means that social sustainability factors, as an independent variable, significantly enhance the model’s ability to predict firm performance. Therefore, social sustainability factors are relevant and meaningful predictors of performance among firms listed at the NSE.

Cook’s Distance

From the results, the Cook’s Distance values for the 181 observations range from a minimum of 0.00 to a maximum of 0.26, with a mean value of 0.01 and a standard deviation of 0.03. Since none of the Cook’s Distance values exceeds the commonly accepted threshold of 1.0, there is no evidence of highly influential data points in the dataset. Therefore, the model is considered stable and reliable.

Wald Test

The Wald Test is used to assess the statistical significance of individual predictors in the logit regression model. The results show that social sustainability factors have a Wald statistic of 55.553 and a p-value of 0.000. This indicates that the variable is statistically significant ($p < 0.05$), confirming that



social sustainability factors play a meaningful role in predicting firm performance. In addition, the constant term also has a Wald statistic of 48.792 with a p-value of 0.000, indicating its statistical significance in the model. These results suggest that both the social sustainability factors predictor and the intercept contribute significantly to explaining the variability in firms' performance listed on the NSE.

Logit Regression Analysis Results

Model Summary

The model incorporating social sustainability factors successfully converged with a -2 Log Likelihood of 138.551, indicating proper specification, stability, and adequate explanation of firm performance. The Nagelkerke R-square value is 0.583, indicating that the model explains 58.3% of the variation in the probability that firm performance is influenced by social sustainability factors. This suggests that 41.7% of the variation in the probability of firm performance would be explained by factors other than social sustainability factors.

Table 3. Model Summary for Social Sustainability Factors and Performance of Firms

Step	-2 Log likelihood	Cox & Snell R-Square	Nagelkerke R-Square
1	138.551 ^a	.428	.583

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation: In the logit regression output, the constant (-7.256) shows the baseline log-odds of firm performance when social sustainability factors are zero. In addition, the coefficient for social sustainability factors is 2.290 with a standard error of 0.307, as shown in Table 3. This positive coefficient indicates that higher social sustainability factors are associated with a greater likelihood of firm performance. The p-value for this coefficient is 0.000, which is below the 0.05 significance threshold, confirming that the relationship is statistically significant. The odds ratio is 9.870, meaning that for every one-unit increase in social sustainability factors, the odds of a firm exhibiting high performance would increase by approximately 9.87 times. This is because socially responsible practices, such as fair labour practices, diversity and inclusion, respect for human rights, and community engagement, would contribute to improved firm performance across financial performance, customer satisfaction, internal business processes, and learning and growth.

Table 4. Variables in the Equation for Social Sustainability Factors and Performance of Firms

		B	S.E.	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
							Lower	Upper
Step 1 ^a	Social sustainability factors	2.290	.307	1	.000	9.870	5.406	18.022
	Constant	-7.256	1.039	1	.000	.001		

a. Variable(s) entered on step 1: Social sustainability factors.

Discussion of the Results

The study found that social sustainability factors, such as labour practices, diversity and inclusion, human rights, community engagement, and employee health and safety, positively and significantly influenced firm performance. This indicates that improvements in social practices contribute meaningfully to organisational outcomes. The findings align with Glova and Panko (2025), who argued that socially responsible initiatives, such as labour practices, human rights protection, and diversity and inclusion, enhance corporate reputation and stakeholder trust, thereby strengthening firm performance. By embedding ethical conduct and social responsibility into operations, firms improve legitimacy and reinforce a positive brand image. Similarly, Handoyo and Anas (2024) noted that effective labour practices, including fair compensation and safe working conditions, boost



employee morale and productivity, as equitable treatment fosters motivation and reduces turnover. Sharaf-Addin (2024) highlighted that upholding human rights nurtures a respectful and ethical workplace culture, strengthening employee trust and commitment. Olatunji et al. (2025) emphasised that diversity and inclusion broaden organisational perspectives, fuel innovation, and improve decision-making by leveraging varied inputs. The findings further echo Ahmed and Khan (2023), who observed that integrating social considerations into corporate strategy supports long-term growth and competitiveness by securing sustained stakeholder support.

The study established that organisations ensure fair labour practices for all employees. This is achieved through clear human resource policies that promote equity, enforce zero discrimination, and provide equal opportunities, and is monitored through audits and employee feedback mechanisms. The findings resonate with Haanwinckel and Soares (2021), who emphasised that fair labour practices improve employee well-being and productivity, thereby enhancing organisational performance. In addition, the study found that organisations promote diversity and inclusion in the workplace. Efforts ensure equal opportunities regardless of background and prioritise inclusivity in recruitment and hiring practices. These findings align with Noon and Ogbonna (2021), who argued that inclusive cultures and equitable hiring strengthen organisational cohesion and performance by fostering teamwork and shared goals. The study findings revealed that organisations have clear policies to prevent human rights violations and demonstrate commitment to upholding rights across operations. These findings are consistent with Smith (2022), who highlighted that formal human rights policies establish corporate accountability and ethical conduct.

The findings also align with the work of Sivan and Veal (2021). Organisations actively engage with local communities to address social challenges and encourage employee participation in initiatives. Aldowaisi et al. (2022) argued that corporate social initiatives improve reputation and foster sustainable development, building goodwill and resilience. The results also indicated that organisations' prioritisation of employee well-being through structured health and safety initiatives directly contributes to workforce retention, engagement, and overall performance. These results are reinforced by Haanwinckel and Soares (2021), who emphasised that health and safety are not only a compliance requirement but also a strategic priority that influences operational efficiency and morale. The findings of this study are also consistent with the Triple Bottom Line (TBL) theory advanced by Elkington (1997), which posits that organisational success should be evaluated not only on financial performance but also on social performance. According to TBL theory, firms that invest in fair labour practices, inclusive work environments, and strong community relationships enhance stakeholder trust, employee commitment, and corporate reputation, which ultimately translate into improved financial performance.

This study was not without limitations. First, the use of primary data collected through structured closed-ended questionnaires may have restricted respondents' ability to provide deeper insights, as responses were confined to predetermined options. Second, the reliance on self-reported data may be subject to response bias, including social desirability and common method bias, which could influence the accuracy of the findings. Additionally, the study focused exclusively on firms listed at the Nairobi Securities Exchange, limiting the generalizability of the results to non-listed firms or organisations operating in different economic and regulatory environments. Future research may incorporate mixed-methods approaches and longitudinal designs to provide richer, more comprehensive insights.

Conclusion

The study found that social sustainability factors serve as a strategic lever for enhancing firm performance among NSE-listed companies. Practices such as promoting fair labour policies, diversity and inclusion, human rights, community engagement, and employee health and safety not only fulfil



ethical obligations but also strengthen organisational reputation, employee productivity, and stakeholder relationships. Firms investing in social initiatives are likely to achieve higher brand loyalty, improved customer satisfaction, and greater operational efficiency, demonstrating that social sustainability is a critical mechanism for securing long-term profitability and competitiveness. This emphasises the broader implication that integrating social considerations into strategic planning is essential for creating sustainable value in both financial and non-financial dimensions.

Firms listed at the NSE should integrate social sustainability practices into their core strategies to enhance performance. These practices include fair labour, diversity and inclusion, community involvement, and employee well-being. Collaborating with civil society, government, and unions can improve outcomes and public trust. To promote fair labour practices and workplace inclusion, listed firms should reinforce equity in HR policies, enforce zero discrimination, and provide equal opportunities across employment types. Training on labour rights, conflict resolution, and unconscious bias should be continuous and apply to all staff levels. Organisations should monitor labour law compliance through audits, legal training, and internal reporting systems, ensuring employee concerns are addressed anonymously. Also, firms should champion broader social responsibility by addressing human rights, supply chain ethics, and community engagement.

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